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Attorney for GERALD ARMSTRONG

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

CHURCH OF SCIENTOLOGY OF)
CALIFORNIA, a California)
corporation,)
)
Plaintiff,)
)
vs.)
)
GERALD ARMSTRONG, DOES 1)
through 10, inclusive,)
)
Defendants.)

CASE NO: C 420 153
FIRST AMENDED ANSWER
TO COMPLAINT

COMES NOW defendant, GERALD ARMSTRONG, for himself and
for no other defendant, admits, denies and alleges as follows:

1.

ANSWER TO GENERAL ALLEGATIONS

- (1) Defendant admits paragraph 1.
- (2) Defendant denies that there are or should be any other individuals named as defendants in said action.
- (3) Defendant admits that he was a member of the Church of Scientology and a member of the Sea Organization from February 1971 until December 1980, but denies that the Sea

...ization is a "fraternal organization" or that members
...the Sea Organization take "special vows of confidentiality".
...endant states that members of the Church of Scientology in
...eral are often coerced into signing various legal documents,
...contents of which they either do not know or are informed
...the documents are just "for the government" and that
...bers need not be concerned about them. Defendant states
...the "non-disclosure and release bond" commonly utilized
...the plaintiff was considered to be unenforceable as a legal
...ment and contrary to public policy. Defendant states that
...non-disclosure and release bonds are generally used to
...deal criminal and tortious acts, conduct, policies, and
...rations" of the plaintiff which are designed to perpetrate
...acts.

(4) Defendant denies that he was a staff member
...the plaintiff and denies the remaining allegations of
...4. Defendant's position and membership in the Church of
...tology is more specifically set forth in the Cross-Complaint
...a part hereof.

(5) Defendant denies that the plaintiff is a not-
...profit corporation, admits that it is organized under the
...of the state of California, denies that it is a religious
...ization and admits that it has a principal place of business
...Los Angeles, California.

(6) Defendant admits that he was responsible and
...nted by L. Ron Hubbard to a project involving the collection
...aintenance of information and materials about Hubbard
...his commencement of Scientology. Defendants denies that

1 that Scientology is a religion, but rather claims that it
2 is a criminal conspiracy fraudulently started by Hubbard
3 that has engaged in a continuous pattern of criminal,
4 fraudulent and tortious operations, practices and policies
5 since its inception right up to the present date. Defendant
6 denies that he was an agent of the plaintiff but rather as
7 a party to a contract with Hubbard. Defendant states
8 that Hubbard had absolute control of all plaintiff's accounts,
9 that plaintiff acted as the agent of Hubbard and that any and
10 all of his activities were not conducted for the plaintiff
11 but rather for Hubbard. Defendant denies that any and all
12 materials collected or maintained by him in said project are
13 the personal property of plaintiff, but rather states that said
14 materials constitute his property or the property of Omar V.
15 Garrison. Defendant further states that the materials and
16 documents collected by him in said project in many respects
17 reveal a consistent pattern of fraud perpetrated by Hubbard
18 through his agent, the plaintiff, upon members of the Church
19 of Scientology and the public at large. Defendant asserts that
20 the membership of the Church of Scientology and the general
21 public have an interest in said materials and documents in
22 order to reveal the falsity of numerous representations uni-
23 formly made in writing by Hubbard and the plaintiff.

24 (7) Defendant admits that the purpose of
25 gathering and collecting the materials in his contract with
26 Hubbard was for the purpose of providing those materials to
27 Omar V. Garrison to write a biography of Hubbard. Defendant
28 asserts that when he learned the contents of

ous materials they realized that Hubbard's background, qualifications, credentials and claims as represented by and the plaintiff as his agent in writing have been uniformly misrepresented and constitute a fraud on the public large which is purchasing plaintiff's publications and upon Church membership.

II.

ANSWER TO FIRST CAUSE OF ACTION

(8) Defendant repeats and repleads each and every answer contained in answer 1 through 7 above and incorporates the same herein as though fully set forth herein.

(9) Defendant denies the allegations in par. 9 and claims that any materials in his possession were and are properly in his possession and constitutes the property of him or Omar Garrison, but that the plaintiff is "a public figure" and that the information contained in any materials and documents in his possession should be properly known to the public.

(10) Defendant denies that the property recited in the Complaint has any value apart from the value of the information contained in the documents. Defendant states that the value of the information contained in the documents is incalculable because if said information was made known to the public at large and/or the membership of the Church of Scientology it would uniformly refute almost all of the claims made about Hubbard, his background, qualifications, credentials and purposes in beginning the Church of Scientology.

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(11) Defendant denies that he wrongfully converted any property but, claims that said property was and is properly in his possession and/or the possession of Omar V. Garrison. Defendant further states that the xerography and use of any photographic paper or chemicals was for Hubbard and not for the plaintiff and that said xerography and photographic paper and chemicals were properly utilized by him.

(12) Defendant denies that plaintiff has made any proper written demand for said documents or materials, on the grounds that said materials and documents do not belong to the plaintiff but rather to the defendant and/or Omar Garrison. Defendant also denies that there was any wrongful taking and conversion of any property by defendant.

(13) Defendant denies that there has been any conversion of any property or that any property in his possession belongs to the plaintiff and therefore denies that the plaintiff has incurred any damage in connection with any effort to regain said property.

(14) Defendant denies that any of his acts were intentional, deliberate, willful, wanton, malicious, oppressive, or were committed with intent to defraud plaintiff or in disregard of the rights of the plaintiff. Defendant denies that plaintiff is entitled to recover any damages, but rather asserts that he is entitled to recover damages as more fully set forth in his Cross-Complaint filed herewith.

SECOND CAUSE OF ACTION

(15) Defendant repeats and repleads each and every answer contained in paragraphs 1 through 7 above and incorporates them herein as though fully set forth herein.

(16) Defendant denies that he became a fiduciary to the plaintiff regarding any materials or documents under his custody or control or that he assumed any legal duty to the plaintiff except a legal duty in contract with Hubbard to write his biography with Garrison with whom defendant had an agreement as research assistant to provide documents and other relevant materials for the biography project.

(17) Defendant denies that there is any conflict of interest between him and the plaintiff and/or the Ralston Pilot Publishing Company in violation of any fiduciary duty.

(18) Defendant denies the enforceability or validity of Exhibit B to the Complaint. Defendant states that the non-disclosure and confidentiality bonds referred to are in violation of public policy, constitute a fraud on the general public and Church membership, and have been adjudicated to be unenforceable in the case of Church of Scientology v. La Venda Van Schaick, et al Clark County, Nevada, Civil No. A196800. Defendant further states that any and all information contained in the documents and materials which he collected on behalf of Hubbard for Omar V. Garrison contain information about a "public figure", do not constitute trade secrets, reveal evidence of a sustained pattern of criminal fraud and misrepresentation, and that it is

in violation of public policy to coerce the execution of non-disclosure and confidentiality bonds in said circumstances. Defendant denies that he has intentionally and without legal excuse breached any duty of confidentiality.

(19) Defendant denies that he has made any unauthorized disclosure of any confidential information, or that he has caused injury to any reputation or diminution in value of any materials. Defendant asserts that the referenced biography of Hubbard cannot be written with the uniform misrepresentations and fraudulent policies and practices exercised by the plaintiff because the information contained in the documents which he collected reveal said misrepresentation and fraud. Defendant further alleges that the truth of the matter contained in said materials is a defense to any claims for damages based upon defamation. Defendant further states that public policy forbids the concealment of the information contained in said documents and materials and encourages the dissemination and disclosure of said information.

(20) Defendant denies that plaintiff is or can make any demand to cease unauthorized disclosures of confidential information, or that the information is confidential or that he can be prevented from making said disclosures in the form of affidavits to appropriate courts for the purpose of criminal and civil litigation.

(21) Defendant denies that any unauthorized disclosures of confidential information have caused any damages to the plaintiff, or that the plaintiff has standing to assert any such damages, or that an authorized biography of Hubbard can

1 be written by the plaintiff which is not false and fraudulent,
2 unless the plaintiff admits the truth of the information con-
3 tained in the documents and materials which he collected.

4 (22) Defendant denies that any of his acts were
5 intentional, deliberate, willful, wanton, malicious or oppressive
6 and committed with intent to defraud the plaintiff or in reckless
7 disregard of plaintiff's rights and denies that plaintiff is
8 entitled to any damages, but rather claims damages as set forth
9 in the Cross-Complaint herein.

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11 IV.12 THIRD CAUSE OF ACTION

13 (23) Defendant repeats and repleads each and every
14 answer contained in paragraphs 1 through 7 and 15 through 22
15 above and incorporates them by reference as though fully set
16 forth herein.

17 (24) Defendant denies that he has converted any pro-
18 perty of the plaintiff in breach of any fiduciary duty or that
19 he will be unjustly enriched at plaintiff's expense. Defendant
20 denies that a constructive trust should be impressed upon said
21 property or that he should be named as trustee on behalf of
22 the plaintiff. Defendant claims that any attempt to prevent
23 the disclosure of any of the information in said documents and
24 materials will be a prior restraint on freedom of speech and
25 expression in violation of the First Amendment to the United
26 States Constitution. Defendant further states that any infor-
27 mation in said documents is information about a public figure
28 and said information should be made available to the general

public and to the membership of the Church of Scientology.

IV.

ANSWER TO REQUEST FOR DECLARATORY AND INJUNCTIVE RELIEF

(25) Defendant repeats and repleads each and every answer contained in paragraphs 1 through 7 and 15 through 22 above and incorporates them herein as though fully set forth herein.

(26) Defendant admits that there is a controversy between plaintiff and defendant because plaintiff has brought the subject action. Defendant denies the subject action was properly brought but that it is merely intended to be harassive and vexatious, and defendant denies that he owes any duty of fiduciary or other nature to the plaintiff.

(27) Defendant admits that a judicial determination of the respective rights and duties of the parties must now be made because the suit has been harassively and vexatiously brought by the plaintiff, but defendant denies that he owes any duties and obligations to the plaintiff but rather the plaintiff is responsible for fraudulent misrepresentation and other torts more fully set forth in the Cross-Complaint filed herewith. Defendant denies that a constructive trust should be imposed upon said property.

(28) Defendant admits that a judicial declaration is now necessary in the subject action.

(29) Defendant denies that this Court should preliminarily or permanently enjoin the defendant from unauthorized dissemination of any information contained in said documents

1 on the grounds that the information is not confidential,
2 that it is in violation of public policy to conceal it, that
3 plaintiff has no standing in which to bring the subject action,
4 and that information, unless it is in the form of a trade
5 secret, is not protected under the law.

6
7 VII.8 ANSWER TO PRAYER FOR RELIEF

9 Defendant answers as follows to the plaintiff's prayers:

10 (1) Defendant denies that general and special
11 damages as to the first cause of action should be awarded to
12 the plaintiff.13 (2) Defendant denies that the Court should order the
14 return of any property to the plaintiff based on the first cause
15 of action.16 (3) Defendant denies that general and special damages
17 should be accorded to the plaintiff on the second cause of
18 action.19 (4) Defendant denies that this Court should issue
20 either a temporary restraining order or a preliminary or per-
21 manent injunction prohibiting him from disseminating any in-
22 formation about the plaintiff, and that any such order would
23 be in violation of his right to freedom of speech and expression
24 under the United States Constitution, Amendment 1.25 (5) Defendant denies that punitive and exemplary
26 damages in the amount of \$50,000.00 should be awarded per
27 cause of action.

28 (6) Defendant denies that a constructive trust should

1 be impressed upon any property in the possession of the
2 defendant.

3 (7) Defendant denies that any materials in the
4 project referred to can be disseminated, copied or made avail-
5 able to the public only with the express authorization of the
6 Church of Scientology of California.

7 (8) Defendant denies that reasonable attorneys'
8 fees or costs should be awarded in such action, except as set
9 forth in defendant's Cross-Complaint.

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11 VIII.

12 AFFIRMATIVE DEFENSES

13 (1) And further answering the Complaint, defendant
14 states that the plaintiff's action is barred by the doctrine
15 of unclean hands.

16 (2) And further answering the Complaint, defendant
17 states that the plaintiff's action is barred by the doctrine
18 of laches. Hubbard has been in possession of most of the
19 information contained in the documents for the past 30 years.
20 The documents and materials collected have been in the possession
21 of Omar Garrison for a period covering at least from 1980 to
22 early 1982. Plaintiff's failure to prohibit the dissemination
23 of the documents and information to Garrison, a third party,
24 not a member of the plaintiff Church, bars any and all equitable
25 relief to prevent the dissemination of documents to other third
26 parties or to recover damages for said dissemination.

27 (3) And further answering, defendant states that
28 the plaintiff does not have standing to bring the present action.

1 The documents and materials only have value in so far as they
2 contain information about L. Ron Hubbard, a public figure. The
3 information contained in said documents could only be barred
4 from dissemination if it constituted trade secrets, was defamatory,
5 or violated a right of privacy of L. Ron Hubbard. Since Hubbard
6 has not asserted any claim to said materials on the violation
7 of either his rights of privacy, or the unlawful dissemination
8 of trade secrets or defamatory information, plaintiff has no
9 standing to assert said claim on his behalf.

10 (4) And further answering, defendant states that
11 plaintiff cannot be entitled to damages or injunctive relief
12 as a matter of law unless the documents and materials collected
13 by defendant and the information contained therein have been
14 disseminated in violation of rights of privacy of L. Ron Hubbard,
15 constitute false and defamatory statements, or constitute trade
16 secrets.

17 (5) And further answering, defendant states that it
18 is against public policy and in violation of defendant's rights
19 under the First Amendment to the U.S. Constitution to prevent
20 him from disclosing or disseminating the information contained
21 in the subject documents and materials, or the documents and
22 materials themselves.

23 WHEREFORE, defendant prays that plaintiff take nothing
24 and that defendant be given judgment against plaintiff for his
25 costs incurred herein and for such other and further relief as
26 may seem just and proper.

27 DATED: November 22, 1982

CONTOS & BUNCH

28 By: _____

BRUCE M. BUNCH
Attorneys for Defendant,

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VERIFICATION BY PARTY (466, 2015.5 C. C. P.)

STATE OF CALIFORNIA, COUNTY OF

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I am the _____

in the above entitled action or proceeding; I have read the foregoing _____

and know the contents thereof; and I certify that the same is true of my own knowledge, except as to those matters which are therein stated upon my information or belief, and as to those matters I believe it to be true.

I declare, under penalty of perjury, that the foregoing is true and correct.

Executed on _____ at _____, California
(date) (place)

Signature

PROOF OF SERVICE BY MAIL (1013a, 2015.5 C. C. P.)

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am a resident of the county aforesaid; I am over the age of eighteen years and not a party to the within entitled action; my business address is:

5855 Topanga Canyon Blvd., #400, Woodland Hills, CA 91367

On Dec. 14, 1982, I served the within NOTICE OF MOTION AND

MOTION FOR LEAVE TO FILE AMENDED ANSWER; DECLARATION OF BRUCE M. BUNCH; MEMO. OF POINTS & AUTHORITIES IN SUPPORT THEREOF (CCP §473) PROPOSED AMENDED ANSWER

on the Parties of Interest _____
in said action, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail at Woodland Hills, CA 91367
addressed as follows:

HOWARD J. STECHEL
6255 Sunset Blvd., #2000
Los Angeles, CA 90028

Barrett S. Litt, Esq.
617 So. Olive Street, #1000
Los Angeles, CA 90014

TRABISH & PETERSON
4676 Admiralty Way, #902
Marina del Rey, CA 90291
Attn: John G. Peterson

I declare, under penalty of perjury, that the foregoing is true and correct.

Executed on Dec. 14, 1982 at Woodland Hills, California
(date) (place)

Pamela Wickersham
Signature

PAM WICKERSHAM